

1 ALYSSA A. QUALLS (IL Bar No. 6292124)  
2 *PRO HAC VICE APPLICATION PENDING*

3 Email: [quallsa@sec.gov](mailto:quallsa@sec.gov)

4 BELINDA I. MATHIE (IL Bar No. 6275461)  
5 *PRO HAC VICE APPLICATION PENDING*

6 Email: [mathieb@sec.gov](mailto:mathieb@sec.gov)

7 175 West Jackson Blvd., Suite 1450  
8 Securities and Exchange Commission  
9 Chicago, Illinois 60604  
10 Telephone: (312) 353-7390  
11 Facsimile: (312) 353-7398

12 Attorneys for Plaintiff  
13 United States Securities and Exchange Commission

14 **LOCAL COUNSEL**

15 Donald W. Searles (Cal. Bar No. 135705)

16 Email: [searlesd@sec.gov](mailto:searlesd@sec.gov)

17 Securities and Exchange Commission

18 444 S. Flower Street, Suite 900

19 Los Angeles, California 90071

20 Telephone: (323) 965-3998

21 Facsimile: (213) 443-1904

22 **UNITED STATES DISTRICT COURT**  
23 **CENTRAL DISTRICT OF CALIFORNIA**

24 **SECURITIES AND EXCHANGE  
25 COMMISSION,**

26 Case No.

27 Plaintiff,

28 **COMPLAINT**

29 v.  
30 **WINDSOR JONES LLC and**  
31 **ANTHONY COLLINS,**

32 **JURY DEMAND**

33 Defendants.

34 Plaintiff Securities and Exchange Commission (“SEC”) alleges:

35 **JURISDICTION AND VENUE**

36 1. The SEC brings this action pursuant Section 20(b) of the Securities Act  
37 of 1933 (“Securities Act”), 15 U.S.C. § 77t(b), and Section 21(d) of the Securities  
38 Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. § 78u(d).

2. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1331, Sections 20(b), 20(d), and 22 of the Securities Act, 15 U.S.C. §§ 77t(b), 77t(d), and 77v, and Sections 21(d), 21(e), and 27 of the Exchange Act, 15 U.S.C. §§ 78u(d), 78u(e), and 78aa(a).

3. Defendants, directly and indirectly, made use of the means or instruments of transportation or communication in, and the means and instruments of, interstate commerce, or of the mails, or of the facility of a national securities exchange in connection with the alleged acts, practices, and courses of business alleged in this complaint.

4. Venue is proper in this district pursuant to Section 22(a) of the Securities Act, 15 U.S.C. § 77v(a), and Section 27(a) of the Exchange Act, 15 U.S.C. § 78aa(a). Acts, practices, and courses of business constituting violations alleged herein have occurred within the jurisdiction of the United States District Court for the Central District of California and elsewhere. Moreover, two victims of Defendants' alleged securities violations reside in California, and one victim resides in this district.

## **SUMMARY**

5. Between November 2017 and September 2021, Defendant Windsor Jones LLC (“Windsor Jones”), through its United Kingdom-based principal Defendant Anthony Collins, conducted a fraudulent investment scheme involving fine wine.

6. Defendants raised at least \$4 million through the fraudulent and unregistered offer and sale of investment contracts to at least 12 investors in the United States, most of whom are elderly.

7. Windsor Jones, through Collins, its sales representatives, and marketing materials, represented to investors that Windsor Jones would buy investment-grade wines for investors, later sell the wine at a profit, and would share in a portion of the profits with investors.

1       8.    Specifically, Windsor Jones, through Collins, its sales representatives,  
2 and marketing materials, falsely represented to investors that: (a) their money would  
3 solely be used to purchase and store wine; (b) the wine could be expected to achieve a  
4 return ranging between 10% to 30%; and (c) the company would not receive any  
5 compensation or profit until the wine was sold.

6       9.    These statements were false because Windsor Jones spent no more than  
7 32% of the investors' funds on the purchase and storage of wine.

8       10.   Further, Windsor Jones made only *de minimis* payments to investors,  
9 and misused investor funds by spending them on a variety of non-wine uses,  
10 including \$367,000 for credit card payments, \$176,000 for shopping at UK-based fine  
11 watch companies, and approximately \$870,000 for payments to individuals, including  
12 sales representatives and workers who performed back-office functions for Windsor  
13 Jones, and \$340,000 to Collins directly.

14       11.   Windsor Jones and Collins also failed to disclose that they charged a  
15 mark-up of 30% to 50% to investors on their purchases of wine.

16       12.   In addition, Windsor Jones and Collins failed to disclose that sales  
17 representatives received an up-front commission of 8% to 10% from investor funds.

18       13.   Defendants' scheme has now collapsed, and the company has stopped  
19 responding to investors.

20       14.   Defendants violated the federal securities laws, including Sections 5(a),  
21 5(c), and 17(a) of the Securities Act, Section 10(b) of the Exchange Act, and Rule  
22 10b-5 thereunder.

23       15.   The SEC seeks a judgment permanently enjoining Defendants from  
24 future violations of these provisions of the federal securities laws; ordering them to  
25 disgorge their ill-gotten gains, on a joint and several basis, along with prejudgment  
26 interest; ordering them to pay civil penalties; and prohibiting Collins from serving as  
27 an officer or director of public companies.

## **DEFENDANTS**

16. **Windsor Jones LLC** is a Delaware limited liability company formed in August 2017 with its principal place of business at a virtual office in Wilmington, Delaware. In October 2022, the Iowa Insurance Commissioner issued a cease and desist order against Windsor Jones, Collins, and others finding, among other things, that they sold unregistered securities, acted as an unregistered securities agent, and made untrue statements of material fact in selling Windsor Jones's wine investments.

*In the Matter of Windsor Jones, LLC*, Division Case No. 114218 (Iowa Ins. Comm. Oct. 31, 2022).

17. **Anthony Collins**, age 34, resides in Hammondswick, United Kingdom. Collins is the member and control person of Windsor Jones. In March 2020, the United Kingdom High Court of Justice ordered that a UK-based wine investment company controlled by Collins be wound-up “in the public interest” following complaints that the company was misleading and overcharging customers. In April 2021, Collins was disqualified from registering an entity with the United Kingdom Companies House for a 10-year period. As described above, in October 2022, the Iowa Insurance Commissioner issued a cease and desist order against Collins. *In the Matter of Windsor Jones, LLC*, Division Case No. 114218 (Iowa Ins. Comm. Oct. 31, 2022).

## FACTS

18. Section 5(a) and (c) of the Securities Act requires persons who offer and sell securities to the public to register those offers and sales with the SEC, absent certain exemptions or safe harbors that do not apply to Defendants' transactions.

19. The definition of a “security” under the Securities Act includes, among other instruments and investment vehicles, “investment contracts.”

20. Investment contracts are instruments through which a person invests money in a common enterprise with an expectation of profits or returns produced by the entrepreneurial or managerial efforts of others.

1       21. Between November 2017 and September 2021, Windsor Jones raised at  
 2 least \$4 million from approximately 12 U.S. investors through the sale of purported  
 3 fine wine investments that were investment contracts.

4       22. The Windsor Jones offering was not registered with the Commission.

5       23. The investors resided in various states throughout the United States,  
 6 including two in California and one in this district. Most of them were elderly, and  
 7 many were not accredited.

8 **I. Windsor Jones and Collins Offered Purported Investments in Fine Wine.**

9       24. Windsor Jones, through its principal Collins, offered fraudulent  
 10 purported fine wine investments.

11       25. Investors typically learned about the fine wine investment opportunity  
 12 from unsolicited and repeated cold calls from sales representatives who said that they  
 13 were acting on behalf of Windsor Jones.

14       26. The callers, who usually had British accents, represented that they would  
 15 recommend specific vintages of investment-grade wines for investors to purchase.

16       27. Windsor Jones sales representatives and staff also used email addresses  
 17 associated with the firm to follow up with investors.

18       28. The Windsor Jones sales representatives told investors that the selected  
 19 wines would be stored in a secure, climate-controlled facility in France or the United  
 20 Kingdom for the duration of the investment to preserve the wines' value and  
 21 minimize taxes, and that the company had access to appropriate markets to sell the  
 22 appreciated wines at a later date.

23       29. The sales representatives also told investors that the funds they invested  
 24 would be used exclusively to purchase and store wine that would be the property of  
 25 the individual investors.

26       30. The sales representatives told investors that the only compensation  
 27 Windsor Jones would receive for its wine investment services was a commission –

1 typically 10% of wine sale profits but sometimes as low as 6% or 8% – upon sale of  
2 the investor's wine to a new purchaser.

3 31. The sales representatives also told investors that Windsor Jones would  
4 not be entitled to any compensation until the sale of the wine.

5 32. The investors, many of whom were not familiar with wine investments,  
6 were not expected to participate in the selection of their wines, their storage, or the  
7 resale process.

8 33. Instead, the investors relied on the expertise of Windsor Jones to  
9 generate a profit by recommending wines likely to increase in value, arranging to  
10 store them in a manner that would preserve their value, and identifying buyers for the  
11 appreciated wines.

12 34. The only decisions the investors made was whether to invest in the wine  
13 recommended by the sales representatives and whether to agree to the sale of their  
14 wine.

15 35. The sales representatives told investors that Windsor Jones had access to  
16 certain markets to sell the wine, including purported wealthy individual buyers in  
17 China.

18 36. The sales representatives also told investors that they could expect to  
19 make a profit because the wine would appreciate significantly in value (ranging from  
20 10% to 30%) within a short time period (generally ranging from several months to a  
21 few years).

22 37. On some occasions, a Windsor Jones sales representative identified  
23 himself to investors as "Anthony" and/or "Anthony Collins."

24 38. The Windsor Jones sales representatives did not tell investors that they  
25 were required to hold the wine for any minimum period.

26 39. The sales representatives told investors they would realize the profit  
27 when the wine was sold.

1       40. However, on some occasions when investors contacted Windsor Jones to  
2 sell their wine, the sales representatives would advise the investors that their wine  
3 was not good enough to sell, but that if the investors bought more wine, the new  
4 larger package would be more attractive to buyers.

5       41. On at least two occasions, the Windsor Jones sales representative who  
6 tried to extract more money from investors who wanted to sell their wine identified  
7 himself as “Anthony” and/or “Anthony Collins.”

8       **A. Windsor Jones and Collins Provided Investors  
9           with a Website and Marketing Materials.**

10      42. Windsor Jones, through its principal Collins, provided marketing  
11 materials to investors (“Marketing Materials”) and maintained a public website  
12 (“Website”) describing the investment.

13      43. Collins controlled the Website and Marketing Materials.

14      44. The Marketing Materials and Website touted, among other things, the  
15 rising profitability of the fine wine investment market, how fine wine has  
16 outperformed other investment options, and the companies’ expertise in achieving  
17 those profits for investors.

18      45. For example, on or about March 13, 2018, [admin@windsorjonesllc.com](mailto:admin@windsorjonesllc.com)  
19 emailed an investor a copy of the Marketing Materials, which stated that the  
20 investment goal was “to generate a return of over 10% per annum (net of fees).”

21      46. The emailed Marketing Materials also stated that Windsor Jones’s  
22 compensation for their services would cover “the entire expense” of storing,  
23 handling, and insuring the investor’s wine.

24       **B. Windsor Jones Entered Into Contracts  
25           with Investors and Collected Investor Funds.**

26      47. The written contracts between Windsor Jones and its investors stated  
27 that the investor funds would be used to buy and store wine, including all taxes,

1 import duties, and purchasing and delivery fees, and did not include any provisions  
2 regarding compensation to Windsor Jones.

3       48. Windsor Jones sales representatives told investors that the only  
4 compensation Windsor Jones would receive was a percentage of the profits when the  
5 investors' wine was sold to a new buyer.

6       49. For example, on or about March 13, 2018, [admin@windsorjonesllc.com](mailto:admin@windsorjonesllc.com)  
7 emailed an investor a copy of the Marketing Materials, which touted that Windsor  
8 Jones had a team of experts with the tools and market knowledge to build a profitable  
9 wine portfolio that was "customised [sic] to suit [the investor's] individual  
10 investment goals."

11       50. The emailed Marketing Materials also assured investors that Windsor  
12 Jones "frequently and regularly revise[d] each of [its] strategies in accordance with  
13 market developments," and could "guarantee that [the investor's] portfolio is  
14 performing as effectively as possible."

15       51. Windsor Jones sales representatives told investors that Windsor Jones  
16 had the knowledge and expertise to select secure, climate-controlled warehouses for  
17 wine storage in France or the United Kingdom to preserve the wines' value and  
18 minimize taxes and arrange for wine shipping, handling, and insurance.

19       52. Windsor Jones sales representatives also told investors that Windsor  
20 Jones had knowledge of markets where the wine could be sold later at a profit,  
21 including the Chinese market, which was highlighted in the Marketing Materials.

22       53. Investors sent their funds via check or wire to one of two U.S.-based  
23 bank accounts held in the name of Windsor Jones.

24       54. Based on the foregoing, Windsor Jones investors invested in investment  
25 contracts.

26       55. Collins was the sole signatory for the two Windsor Jones bank accounts  
27 and was listed as the company's "member" in the account opening documents.  
28

1       56. Following the receipt of investor funds, Windsor Jones typically sent  
2 investors an invoice listing the wine product and volume purportedly purchased on  
3 their behalf.

4       **II. Collins Made Statements Regarding the Windsor Jones Offering.**

5       57. In or about May to August 2022, Collins made the following statements  
6 to a State of Iowa investigator, which were recorded:

7               (a) Collins controlled Windsor Jones, including its Website content  
8 and Marketing Materials, and Windsor Jones was created to sell wine-related  
9 investments to Americans;

10               (b) When Collins created Windsor Jones, he traveled to the United  
11 States to speak with accountants, open bank accounts, and look into the possibility of  
12 storing wine in the United States;

13               (c) Windsor Jones would acquire wine and arrange for it to be insured  
14 and stored on the investors' behalf;

15               (d) Collins told the sales representatives that investment-grade wine  
16 had sustained 8% to 10% annual growth over the past 25 years;

17               (e) Windsor Jones charged investors a mark-up of 30% to 50% on the  
18 wine, and paid the sales representatives commissions of 8% to 10% immediately after  
19 investors purchased wine; and

20               (f) The sales representatives would never have told investors how  
21 they were actually compensated or that Windsor Jones charged a mark-up on the  
22 initial sale of the wine to the investors.

23       **III. Windsor Jones and Collins Made Misrepresentations and**  
24       **Omissions of Material Fact to Investors and Misused Investor Funds.**

25       58. Between November 2017 and September 2021, Windsor Jones and  
26 Collins received approximately \$4,091,000 from at least 12 investors in their  
27 fraudulent investment scheme, but used no more than \$1.3 million (32%) on the  
28 purchase and storage of wine.

1       59. Windsor Jones has returned a total of approximately \$130,000 to five  
2 investors.

3       60. Windsor Jones representatives told one investor that it was returning  
4 \$16,000 to him per his request to cancel a previous wine order in that amount.

5       61. Windsor Jones representatives told other investors that the remaining  
6 \$114,000 in funds paid to investors were purported profits from wine sales, but the  
7 investors did not receive any sale documentation.

8       62. Windsor Jones' \$140,000 payment to investors was well below the  
9 promised return, which Windsor Jones representatives said would range from 10% to  
10 30% per investment.

11       63. Windsor Jones and Collins misused the remaining investor funds on a  
12 variety of non-wine uses, including \$367,000 for credit card payments, \$176,000 for  
13 shopping at UK-based fine watch companies, and approximately \$870,000 for  
14 payments to individuals, including Windsor Jones sales representatives and workers  
15 who performed back-office functions.

16       64. Collins also caused Windsor Jones to misuse investor funds for his own  
17 benefit.

18       65. Specifically, Windsor Jones paid Collins approximately \$340,000 in  
19 investor funds directly.

20       66. Other than the investor funds, Windsor Jones had minimal other income  
21 during this period.

22       67. The payments to sales representatives and back-office workers and  
23 Collins from investor funds were misuses because they were contrary to the  
24 representations made to investors that investor funds would be used only to purchase  
25 and store wine and that Windsor Jones would only receive compensation upon the  
26 sale of investors' wine.

27  
28

1       68. Collins admitted to the Iowa investigator that Windsor Jones paid its  
2 sales representatives a commission of 8% to 10% when the investor submitted funds,  
3 and not when Windsor Jones sold the investor's wine.

4       69. And Windsor Jones, who paid Collins \$340,000, was not entitled to  
5 receive any money until an investor's wine was sold to a new buyer, and was then  
6 only entitled to a percentage of the profits from that sale.

7       70. Windsor Jones and Collins also failed to disclose that they charged a  
8 mark-up of 30% to 50% to investors on their purchases of wine.

9       71. Collins admitted to the Iowa investigator that he knew that the Windsor  
10 Jones sales representatives were not disclosing to investors how they were being  
11 compensated or that Windsor Jones received compensation in the form of the mark-  
12 up on the initial sale of the wine to investors.

13       72. Accordingly, Windsor Jones and Collins knew, or were reckless in not  
14 knowing, that they were engaged in a scheme to defraud and/or a fraudulent course of  
15 business involving fine wine and that their statements and omissions to investors, via  
16 the Website, Marketing Materials, and Windsor Jones sales representatives, were  
17 false and/or misleading because (a) Windsor Jones and Collins were not using all of  
18 investor funds to purchase and store wine; (b) Windsor Jones was making significant  
19 payments to, among others, Collins, sales representatives, and back-office workers,  
20 from investor funds before the wine was sold; (c) Windsor Jones charged an  
21 undisclosed mark-up of 30% to 50% to investors on their purchases of wine; and (d)  
22 investors only received minimal payments and not the represented 10% to 30%  
23 returns.

24 **IV. Windsor Jones Lulls Investors and Ceases Operations.**

25       73. Windsor Jones sales representatives repeatedly tried to lull investors into  
26 holding their investments or reinvesting in the fraudulent wine investment scheme.

27       74. For example, when investors contacted Windsor Jones to inquire about  
28 selling their wine, sales representatives would tell them that their portfolios were not

1 desirable enough, and they needed to purchase additional wine to make their “wine  
2 portfolio” attractive to a buyer.

3 75. In response to these solicitations, multiple investors sent additional  
4 funds.

5 76. Similarly, Windsor Jones sales representatives sometimes told investors  
6 by telephone that a specific buyer was interested in their wine portfolio, but only if  
7 they purchased certain additional wine.

8 77. However, there is no evidence that Windsor Jones ever sold investors’  
9 wine, at a profit or otherwise, or returned any wine profits to investors.

10 78. Windsor Jones appears to have ceased soliciting investors and the  
11 company has stopped responding to investor inquiries.

12 79. Windsor Jones closed one of its U.S. bank accounts in June 2002. It  
13 closed its other U.S. bank account in August 2022.

14 **FIRST CLAIM FOR RELIEF**

15 **Violations of Section 5(a) and (c) of the Securities Act**

16 80. Paragraphs 1 through 79 are realleged and incorporated herein by  
17 reference.

18 81. By engaging in the conduct described above, without a registration  
19 statement in effect as to that security, Defendants, directly and indirectly: (a) made  
20 use of the means and instruments of transportation or communication in interstate  
21 commerce or of the mails to sell securities through the use or medium of any  
22 prospectus or otherwise; and (b) made use of the means and instruments of  
23 transportation or communication in interstate commerce or of the mails to offer to sell  
24 through the use or medium of a prospectus or otherwise, securities as to which no  
25 registration statement had been filed.

26 82. By reason of the foregoing, Defendants violated, and unless restrained  
27 and enjoined will continue to violate, Section 5(a) and (c) of the Securities Act, 15  
28 U.S.C. § 77e(a) and (c).

## **SECOND CLAIM FOR RELIEF**

## Violations of Section 17(a) of the Securities Act

83. Paragraphs 1 through 79 are realleged and incorporated herein by reference.

84. By engaging in the conduct described above, Defendants, directly or indirectly, in the offer or sale of securities, by use of the means or instruments of transportation or communication in interstate commerce or by use of the mails: (a) employed devices, schemes, and artifices to defraud; (b) obtained money or property by means of untrue statements of material facts or omissions to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engaged in transactions, practices, and courses of business which operated or would operate as a fraud or deceit upon purchasers or prospective purchasers.

85. Defendants intentionally, recklessly, or negligently engaged in the fraudulent conduct described above.

86. By reason of the foregoing, Defendants violated, and unless restrained and enjoined will continue to violate, Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a).

## THIRD CLAIM FOR RELIEF

## **Violations of Section 10(b) of the Exchange Act and Rule 10b-5**

87. Paragraphs 1 through 79 are realleged and incorporated herein by reference.

88. By engaging in the conduct described above, Defendants, directly or indirectly, in connection with the purchase or sale of securities, by the use of means or instrumentalities of interstate commerce or of the mails: (a) used and employed devices, schemes, or artifices to defraud; (b) made untrue statements of a material fact or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c)

1 engaged in acts, practices, or courses of business which operated or would operate as  
2 a fraud and deceit upon purchasers and prospective purchases of securities.

3 89. Defendants intentionally or recklessly engaged in the fraudulent conduct  
4 described above.

5 90. By reason of the foregoing, Defendants violated, and unless restrained  
6 and enjoined will continue to violate, Section 10(b) of the Exchange Act, 15 U.S.C.  
7 § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5.

8 **PRAYER FOR RELIEF**

9 WHEREFORE, the SEC respectfully requests that the Court:

10 **I.**

11 11 Issue findings of fact and conclusions of law that Defendants committed the  
12 12 alleged violations.

13 **II.**

14 14 Issue judgments, in forms consistent with Rule 65(d) of the Federal Rules of  
15 15 Civil Procedure, permanently enjoining Defendants, and their officers, agents,  
16 16 servants, employees and attorneys, and those persons in active concert or  
17 17 participation with any of them, who receive actual notice of the judgment by personal  
18 18 service or otherwise, and each of them, from violating Sections 5(a) and (c) and 17(a)  
19 19 of the Securities Act, 15 U.S.C. §§ 77e(a), 77e(c), and 77q(a), and Section 10(b) of  
20 20 the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R.  
21 21 § 240.10b-5.

22 **III.**

23 23 Order Defendants to disgorge their ill-gotten gains, derived directly or  
24 24 indirectly from the violations alleged in this Complaint, on a joint and several basis,  
25 25 together with prejudgment interest thereon, under Section 21(d)(3), 21(d)(5), and  
26 26 21(d)(7) of the Exchange Act, 15 U.S.C. § 78u(d)(3), 78u(d)(5), and 78u(d)(7).

IV.

Order Defendants to pay civil monetary penalties under Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3).

V.

6 Enter an Order, pursuant to Section 20(e) of the Securities Act, 15 U.S.C.  
7 § 77t(e), and Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2),  
8 permanently prohibiting Defendant Collins from serving as an officer or director of  
9 any issuer that has a class of securities registered pursuant to Section 12 of the  
10 Exchange Act or that is required to file reports pursuant to Section 15(d) of the  
11 Exchange Act.

VI.

13        Retain jurisdiction of this action in accordance with the principles of equity and  
14 the Federal Rules of Civil Procedure in order to implement and carry out the terms of  
15 all orders and decrees that may be entered, or to entertain any suitable application or  
16 motion for additional relief within the jurisdiction of this Court.

VII.

18       Grant such other and further relief as this Court may determine to be just and  
19 necessary.

## JURY DEMAND

21 Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiff SEC  
22 demands a trial by jury on all claims so triable.

23 | Dated: February 3, 2023

*/s/ Donald W. Searles*

DONALD W. SEARLES

Attorney for Plaintiff

## Securities and Exchange Commission